

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

PERIODICALS CLASSIFICATION CHANGE:

Docket No. ^{vnc}99-3

REPLY BRIEF OF THE ASSOCIATION
OF AMERICAN PUBLISHERS

The Association of American Publishers, Inc. ("AAP"), hereby submits its Reply Brief in the above captioned proceeding. AAP is the principal representative of the book and journal publishing industry in the United States. It has over 300 members which encompass large and small publishing houses, as well as university and other non-profit publishers. AAP's university and non-profit publishers make particular use of the Non-Profit and Classroom Periodicals subclasses.

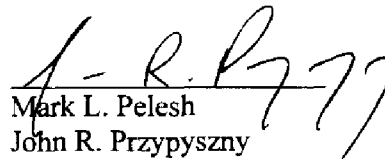
The Postal Service's proposed classification change is a constructive step in the right direction towards correcting what, by all accounts, is an unintended rate anomaly. Allowing Nonprofit and Classroom Periodicals subclass mailings to use the Regular Periodicals subclass is an appropriate but temporary solution to the underlying rate discrepancies. Following this proceeding, AAP urges the Postal Service to promptly begin development of a permanent solution to the rate structure problem which led to this extraordinary classification change.

AAP, which has not requested a hearing in this proceeding, supports the positions of the Advertising Mail Marketing Association ("AMMA") and the Alliance of Non-Profit Mailers ("ANM"). AAP firmly believes that refunds owed to mailers should be made retroactive to the date the rates took effect – January 10, 1999 – and not the April 9, 1999 date proposed by the

Postal Service. Quite simply, amounts paid by mailers as a result of the rate anomaly were wrongfully earned by the Postal Service and equity requires that all such funds be returned. Nonetheless, AAP recognizes that the Commission may be without authority to affirmatively require the Board of Governors to authorize refunds as of a specific date. As noted by AMMA, AAP believes that the Commission can, in the context of its decision in this proceeding, comment to the Board of Governors that refunds be based an earlier effective date. Of course, the ultimate decision on this issue belongs to the Board of Governors, and AAP urges the Board to exercise its discretion by adopting January 10, 1999 as the effective date for all refunds.

DATE: June 2, 1999

Respectfully Submitted,

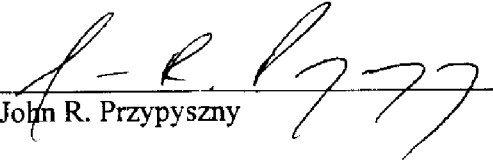

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document, by First-Class Mail, upon the participants in this proceeding.


John R. Przypyszny